

Tenke Mining Corp.

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September 6, 2002

□ 7 6 2 3 5 * FILE NO. 82-2948

Securities and Exchange Commission 450 Fifth Street N.W. Washington, D.C. 20549

Attention: Office of International Finance

Dear Sirs:

Re: Tenke Mining Corp.

Enclosed please find a commercial copy of the Company's Second Quarter Report for the six-month period ended June 30, 2002 filed in maintenance of the Company's Rule 12g3-2(b) registration.

I confirm that a copy of the said Report was dispatched to shareholders of the Company on August 26, 2002.

I trust you will find the enclosed in order.

TENKE MINING CORP.

Sandra M. Kansky Corporate Secretary

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SECOND QUARTER REPORT

June 30, 2002



TENKE MINING CORP. SECOND OUARTER REPORT For the Period Ended June 30, 2002

The Board of Directors is pleased to present the following report to shareholders on the activities of the Company during the second quarter period ended June 30, 2002.

Barry Robert

Tenke Fungurume Copper/Cobalt Project - DRC

Tenke holds a 55% interest in the Tenke Fungurume copper/cobalt deposits located in Katanga Province, the southernmost province of the Democratic Republic of Congo. Tenke and option-holders BHP Billiton and Phelps Dodge are currently in discussions with the DRC government and Gecamines, the state mining company, on the development plans for these rich, world-class deposits.

Meetings with DRC officials on the advancement of the Tenke Fungurume project will continue over the next few months. BHP Billiton holds an option to acquire a controlling interest in Tenke Fungurume and, to function as the primary operator of the project. Phelps Dodge has an option to acquire 50% of BHP Billiton's position in the project. Upon exercise of the BHP Billiton option, Tenke will retain a 10% share ownership interest and a significant free carry on capital expenditures required for commercial operations. The displacement of the property of the contract o

The Tenke Fungurume project remains in force majeure, however, the Company is optimistic that continued progress leading to a sustainable peace and government stability, will enable the project to move forward, the street of th

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Gold and Base Metal Exploration in Argentina

The Company is in the process of assembling a comprehensive land package covering key prospective gold and base metal ground throughout Argentina, including land in San Juan, Santa Cruz, Chubut, Rio Negro and Mendoza provinces. The state of the second states and the second states are the second states of the sec

The Company is reviewing properties that cover a range of targets: epithermal, low and high sulfidation gold and silver vein systems; silica breccias with epithermal gold and silver veins; alteration zones with epithermal models; and a porphyry model with meso and epithermal gold and silver.

The terminated in the control of the transfer and the control of t A final agreement was recently signed with TNR Resources Ltd. to acquire a 75% interest in the Batidero Gold Project located in northern San Juan province. The property lies between the prolific El Indio and Maricunga gold belts, a region hosting numerous world class gold deposits including Veladero/Pascua/Lama (26 million ounces), considered the largest undeveloped gold deposit in the world. today. The Batidero Project is highly prospective hosting a similar geologic sequence and environment as Veladero, and other major, deposits in the Andean Cordillera, and the second of the se

g of all leaving the rail of a paper sea a reference for personal and research and collections and The Batidero project lies just east of the Vicuna project where the Company discovered significant copper/silver mineralization in a previous drilling program. The Company recently dropped some concessions from the Vicuna project that were held under option from Cypress/Phelps Dodge.

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A work program in the Batidero/Vicuna area is planned for the fall and will include detailed mapping, talus, rock chip and stream sediment sampling and a CSAMT (or IP-Res) geophysical survey. A drill program will then be designed to test identified targets and the second of the second

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On Behalf of the Board

Adolf H. Lundin President

August 16, 2002

TENKE MINING CORP. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND OPERATING RESULTS (Amounts in U.S. Dollars unless otherwise indicated) JUNE 30, 2002

The following discussion and analysis of the financial condition and results of operations for Tenke Mining Corp. should be read in conjunction with the unaudited interim consolidated financial statements for the six months ended June 30, 2002 and related notes thereto.

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General

Tenke Mining Corp. (the "Company"), together with its subsidiaries, is a mineral resource corporation engaged in exploring, acquiring and developing precious and base metal properties. The Company holds a 55% interest in the Tenke Fungurume copper/cobalt deposits (the "Tenke Fungurume Project") located in the Democratic Republic of Congo ("DRC"). I in addition, the Company fulfilled its obligations to earn a 100% interest in the Cameco Gold Corporation and Westward Exploration Ltd. portion of the Vicuña property located in Argentina. The Company relinquished its option from Phelps Dodge Corporation to acquire the remaining ground forming part of the Vicuna property. No further exploration is intended on the Vicuna property until a suitable partner is found to share the costs. 'As noted below, the Company also acquired an option to earn a 75% interest in the Batidero property located in Argentina. 医结肠 人名英格兰姓氏克伊森特特 经货车 化结带 安徽

Results of Operations The Court Residence of American States

The Company's net loss for the second quarter and six months ended June 30, 2002 were \$285,000 and \$454,000 respectively, as compared to a net loss of \$227,000 and \$364,000 for the second quarter and six months of 2001. This increase in net loss of \$58,000 and \$90,000 for the second quarter and six months of 2002, respectively, is primarily due to an increase in general and administrative expenses as noted below. Thi addition, included in the 2002 het loss for the second quarter is \$15,000 incurred with respect to the Vicuna Property. At December 31, 2001, the Company had written down its investment in the Vicuna Property. The net/loss for 2001 included the write-off of the Lirio project expenditures of \$117,000 and see that the median in the write-off beits, a eiglion to ting himnarous world effection in thing the earth i

General and administrative expenses for the second quarter and six months ended June 30, 2002 were \$272,000 and \$429,000, respectively. This represented an increase of \$160,000 and \$176,000 compared to \$112,000 and \$253,000 for the same comparable period of 2001. In particular, general exploration and project investigation expenses increased by \$71,000 for the second guarter and \$67,000 for the first six months of 2002 from 2001 due primarily to an increased level of activity in the compilation and detailed review of new prospects in Argentina Hincluded in the general and administrative expenses for the second quarter was \$101,000 of stock based compensation expenses in relation to options granted to three consultants. Stock exchange and filing fees also increase by \$17,000 and \$18,000 respectively for the second quarter and first six months of 2002 and united the basis and a many control of the second quarter and first six months of 2002 and united the basis and the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of a control of the second quarter and first six months of the second quarter and the sec Mil20 e bas andemos translation sure at CSIMI

The losses are a reflection of the Company's status as a non-revenue producing mineral company. As the Company has no source of income, losses are expected to continue. Unispal emplicated

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Liquidity and Capital Resources

At June 30, 2002 the Company had a working capital position of approximately \$1,000,000. During the second quarter of 2002, the Company completed a private placement of 3,800,000 common shares at CDN \$0.40 per share for gross proceeds of CDN \$1,520,000. In addition, the Company received CDN \$468,000 from the exercise of stock options.

As mentioned below, the agreement with BHP Billiton World Exploration Inc. ("BHP") currently provides for the funding on the Tenke Fungurume project. As and when necessary the Company intends to continue to raise funds through possible equity financing, seek joint venture partners and/or project debt financing, to meet on-going needs for existing projects and to acquire and develop new projects as determined by the Board.

Mineral Properties

Tenke Fungurume Project

During the six months ended June 30, 2002 the Company received \$824,000 from BHP pursuant to terms of an option agreement signed in December 1998 with BHP. BHP will, as long as the agreement remains in force, fund certain on-going project expenditures in accordance with the terms agreed. In 2002, these project expenditures included expenses relating to meetings with BHP and Gécamines to advance negotiations on alternative scenarios to allow the project to proceed and for holding costs and maintenance of the existing infrastructure at the Tenke Fungurume Project site. The agreement with BHP provides for project funding only and does not fund the Company's own corporate costs. The option, if exercised, would allow BHP to acquire at least a 45% ownership interest in the Tenke Fungurume Project, leaving the Company with a 10% share ownership interest. Phelps Dodge Corporation has an option to acquire 50% of BHP's position.

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On February 23, 1999, the Company advised Gécamines, and the Government of DRC, that the continuing military turmoil and political events in the DRC, which commenced in August 1998, materially affected the Company's ability to carry out development of the Tenke Fungurume Project. These events entailed and continue to entail material changes and uncertainty as to the conditions of development and operation, including power supply, transportation and construction resources and government stability and thereby undermine the existing draft feasibility study and make it impossible to produce a final feasibility study. Notice was given of Force Majeure in accordance with the Company's agreements which has the effect of adjusting all time periods and dates under these agreements by taking into account the extension and delay arising out of these events of Force Majeure. The Company is required to make certain payments in respect of the Tenke Fungurume Project should the Company elect to put the project into production but the commitments which dictate the timing of these obligations are suspended pending conditions of Force Majeure. પ્રકાશ પહેલા 💎 💎 પ્રાથમિક શાકારો પ્રાપ્ય છે. જેવા છે. જેવા છે.

Batidero Property

On July 1, 2002, the Company entered into an option agreement with TNR Resources Ltd. ("TNR") to earn a 75% interest in the Batidero property, by spending CDN\$1.5 million over a four-year period, and the issuance of a maximum of 100,000 shares to TNR. The Batidero property is a highly prospective gold exploration target in Argentina adjoining the Vicuña property which the Company aiready holds. ويهرك والمناهي والمرابات والمأمي والأناف

General

The Company is compiling a comprehensive land package covering key prospective areas in Argentina.

TENKE MINING CORP. CONSOLIDATED BALANCE SHEETS (in US Dollars)

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in the second se		June 30, 2002 (Unaudited)	December 31, 2001 (Audited)		
· · · · · · · · · · · · · · · · · · ·	ASSETS	The state of the s	Specifical Committee		
Current assets					
Cash		\$ 1,236,096	\$ 354,277		
Accounts receivable		42,284	40,211		
Supplies inventory	•	65,934	65,934		
Prepaid expenses		144,109	169,996		
and the state of t			630,418		
a the engine was the state			200 044 062		
Mineral properties and related e	xpenditures	200,806,213	200,811,863		
Fixed assets, net	i de la servició de la composição de la co Composição de la composição de la composiç		575,573		
of the common temperature is a section of the common temperature and the co	ing the figure and the second of the second	201,308,683	201,387,436		
		\$ 202,797, <u>1</u> 06	\$ 202,017,854		
		\$ 202,797,106	\$ 202,017,034		
		a degree at legite so	. h i i i i i i i i i i i i i i i i i i		
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	LIABILITIES	5			
Current liabilities Accounts payable and accru Due to related parties	o regional de la composición del composición de la composición del composición de la composición del	S 	333,085		
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Accounts payable and accruing the related parties of the control o	ed liabilities of a control of the c	S	5		
Accounts payable and accru Due to related parties and accru control of the second accru Share capital second accru Authorized - second accru Disagraphic accru accru control of the second accru control of the sec	ed liabilities is a some process of the control of	5	6 104 3 (1333,086) 2 5 5 49,573 2 6 7 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8		
Accounts payable and accru Due to related parties Accounts payable and accru Due to related parties Accounts payable and accru Accounts payable and accounts payable	ed liabilities of a common property of the co	S A CARRELL STREET STR	### ##################################		
Accounts payable and accru Due to related parties Accounts payable and accru Due to related parties Accounts payable and accru Accounts payable and accounts p	ed liabilities of a continuous segments for a continuous segments fore	S - (ATC) - (### 15		
Accounts payable and accru Due to related parties Due to rel	ed liabilities of a second liabilities of a second plenote for a second liabilities of a second liabilities of a second liability of	S (and a 97,893 of the same and the same and the same and same and same and the sam	### 1333,085 ###################################		
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Accounts payable and accru Due to related parties Share capital Authorized - 1000 payable Unlimited common share Issued and outstanding - 1000 payable 35,663,328 shares (2000 payable) Contributed surplus - stock	ed liabilities is a second disconnection of the period of	\$ deoq 2 97,893 decides \$ deoq 2 97,993 decides \$ deoq 2 97,893 decides \$ deoq	1333,085 1549,573 161 161 161 161 161 161 161 16		
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Director

Director

TENKE MINING CORP. CONSOLIDATED STATEMENTS OF LOSS AND DEFICIT (in US Dollars) (Unaudited)

in the second seconds.		: · T	hree months 2002	end	ded June 30 2001	Six mont 200	hs ended June 30 2 2001
Expenses	6		Towns, or the matter, and the	Б ДСМ			
Capital tax			272		328		328
Foreign exchange (gain) loss			(46,250)		(1,928)	(46,331) 5,747
General exploration and project	investigation		75,951		5,072	96,208	29,549
Interest and bank charges	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		2,971		1,922	4,745	2,928
Management fees			23,166		23,361	45,746	46,929
Consulting ()	WHITE T		12,000		-	12,000	-
Office and general			9,535		2,956	11,791	3,401
Professional fees			31,459		40,165	72,209	69,232
Promotion and public relations	7		3,836		13,927	15,545	22,976
Stock based compensation expense	ense (Note 2)		100,700		4 + 3	100,700	Ng Kalington (Colar)
Stock exchange and filing fees	in stige of the		19,623		2,955	60,089	42,470
Telephone and facsimile	a di di dia	-	2,616		862	3,099	1,019
Transfer agent and shareholder	information		9,913		8,996	11 ,4 02	12,858
Travel Page 1977.			15,928		9,318	18,495	9,691
Wages and benefits	ilands:		9,317		4,041	23,382	!
	And the second		272,037		111,975	429,352	253,161
Other (income) expenses			\mathcal{F}_{i} , $\tilde{\chi}$, $\tilde{\chi}$		•		
Interest income	r same there		(1,364)		(1,329)	(1,963	(5,943)
Write-off of mineral property in	terests		14,766		116,666	26,489	145 % mof 116,666
			77 14-17 2			81	Earl authorities in the first
Net loss for the period	e de la companya de La companya de la co		285,439		227,312	453,878	363 ,884
10 (E) 48 (1) (1) (1) (E) 494	20000		273/10			ស្នក់ ន	.1591.4.16 97
Deficit, beginning of the period	The second secon		31,918,197	T FROM	28,012,147	31,749,758	27,875,575
Deficit, end of the period	1941 (LE)	\$	32,203,636	\$	28,239,459	\$ 32,203,636	\$ 28,239,459
Basic and diluted loss per common	+38- <u>18</u> 2 n share	\$	7.YE (DEE 0.01	\$	0.01	\$ 0.01	. \$ 0.01
		erie.		- 			
Weighted average number of shar	res		32,523,745		28,593,828	32,523,745	28,593,828

TENKE MINING CORP. CONSOLIDATED STATEMENTS OF CASH FLOWS (in US Dollars) (Unaudited)

	के हा 	Three months 2002	enc	led June 30 2001		Six months 2002	s ended June 30 2001
Cash flows (for) operating activities		<u> 1</u> C)					•
Net loss for the period	\$	(285,439)	\$	(227,312)	\$	(453,878)	\$ (363,884)
Items not affecting cash		March (1				otim is sk	
Write-off of mineral property interests		14,766		116,666		26,489	116,666
Stock based compensation expense		100,700		-		100,700	eration of 💂
the state of the s		(169,973)		(110,646)		(326,689)	(247,218)
The State of the S		g*.				માં ∌િ	
Net changes in non-cash working capital items		* · · · · · d.				J. 195	
Accounts receivable and other current assets		7,661		(1,090)	::::::	23,814	20,101
Accounts payable and accrued liabilities		(109,322)		(171,596)	$\mathcal{L} = 1$	(118,594)	(153,888)
97,00		(271,634)		(283,332)	- 1.5	(421,469)	(381,005)
A009 x 550					-		6
Cash flows (for) investing activities		*** ***			4.1	Marking transfers.	r _{in} di
Mineral properties and related expenditures		(388,738)		(1,184,241)		(764,545)	(2,303,161)
Purchase of capital assets		(1,656)		(80,356)		(7,191)	(105,160)
Proceed from capital asset disposal				75,158		-	75,158
		(390,394)		(1,189,439)		(771,736)	(2,333,163)
the grants of the							oral to see
Cash flows from financing activities		575.01		4.0 × 1	, (Y*)		The state of the s
Common shares issued		1,241,204		-		1,241,204	-
Due to related parties: 366		€દક (9;157)		121,702		9 ,820 °	124,659
Option payments received		276,000		1,011,213		824,000	1,887,959
ALIENOS EN ALIENOS EN ALIENSAS	`	1,508,047		1,132,915	λ1 N	2,075,024	2,012,618
Increase (decrease) in cash	1	ି 846)019	- 1, - :v	(339,856)		881,819 ⁻	(701,550)
Cash, beginning of the period		390,077		541,551		354,277	903,245
		.0.0	<u>.</u>	5 - T	1 - 15 - 5		igar bayaas
Cash, end of the period	<u> </u>	1,236,096	\$	201,695	\$	1,236,096	\$ 201,695

TENKE MINING CORP. CONSOLIDATED SCHEDULES OF MINERAL PROPERTIES AND RELATED EXPENDITURES (in US Dollars) (Unaudited)

into all moderne for a little of the control of the		Six months ended June 30, 2002	S	ended June 30, 2001
Tenke Fungurume Property (Congo)	(4) 名(4)	3) · · · · · · · ·		5+ a
Care and maintenance	¢	818,350	\$	796,348
Option payments received		•	Ψ *, 2,	(746,000)
Incurred during the year		(5,650)	E C. I	50,348
Balance - beginning of the year	to the second			00,689,827
Balance - end of the period		200,806,213		00,740,175
Vicuna Property (Argentine/Chile)			* .	1000
Acquisition and claims maintenance	Collegedy and	16,290		181,055
	TO TO NATHER OF	យល់ស (រស់ទីស៊ែន ១១ សុខសុខ ១០១ ក្រុងស	e gerafi.	9,511
Drilling, excavation and related costs		The state of the s		290,163
Office and general		360		74,985
Professional fees	6 - 3 - 3 - 3 - 3	ne - 1. 2 5,139 an	se di i	33,689
Program management and consultants		,™ +3:	1 3. 0	104,643
Sampling and testing			1 2 3	32,949
Technical and field staff	Committee of the State of the	2 X 12 2 2 2	2011, 16 .	124,973
Transport and travel	والأساح يوالمراج	579	· · · · · ·	62,919
Value added taxes	De villadit villadi. Gradinaci	7,121	· · · · · · · · · · · · · · · · · · ·	89,408
The control of the co	t od bsinsu	26,489		1,004,295
Option payments received	nii odi ediza e		14., 1	(636,446)
Incurred during the year	a mised mere a		1 1 30	367,849
Balance - beginning of the year of		<u> 1 year 17 5.</u> 4	<u> </u>	2,468,888
	ef ethe 000 Rurs.	•		2,836,737
Write-off of mineral property interests	er over the	(26,489)		2.026.727
Balance Hendrof the period a last mathematic management		<u>ar gitni≒u</u> v monintrologi a		2,836,737
Lirio Property (Argentina)	t dig to which the			., .
Acquisition and claims maintenance	1997 P. 1823	ar marandiga d		53,295
Option payments received	しばわたも	_		(52,000)
Incurred during the year	, 		, 	1,295
Balance - beginning of the year	es pri-		State (1)	115,371
and the state of t	e e de e de la elemente de la elemen	7 	<u> </u>	116,666
	ende (sekuka <u>i uzije</u> ende (sekuka <u>i uzije</u>			(116,666)
Total	\$ 2	200,806,213	\$ 2	03,576,912
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TENKE MINING CORP. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2002 (Unaudited)

1. Significant Accounting Policies

The unaudited interim consolidated financial statements of Tenke Mining Corp. (the "Company") are prepared in accordance with accounting principles generally accepted in Canada using, except as discussed in Note 2, the same accounting policies and methods of application as those disclosed in Note 2 to the Company's consolidated financial statements for the year ended December 31, 2001.

These interim consolidated financial statements do not contain all of the information required by generally accepted accounting principles for annual financial statements and therefore should be read in conjunction with the consolidated financial statements included in the Company's 2001 Annual Report.

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2. Accounting Change

Effective January 1, 2002, the Company adopted the recommendations of the new CICA Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. This section establishes standards for the recognition, measurement and disclosure of stock-based compensation and other stock-based payments in exchange for goods and services. The section requires that all stock-based awards made to non-employees be measured and recognized using a fair-value based method. The section encourages a fair-value based method for all awards granted to employees, but only requires the use of a fair value based method for direct awards of stock, stock appreciation rights, and awards that call for settlement in cash or other assets.

The Company has adopted the intrinsic value method in accounting for stock options granted to directors and employees. Under this method, compensation costs are not recognized in the financial statements for stock options granted to directors and employees when issued at market value. The section does, however, require the disclosure on a pro forma basis of the impact on operations of using the fair-value based method for stock options granted to directors and employees on or after January 1, 2002. There were no stock options granted to directors and employees during the quarter ended June 30, 2002.

Under the new accounting standard, 325,000 options granted to non-employees were valued under the fair value method using the following option-pricing model assumptions.

(a) Average risk-free interest rate: 4.7%

(b) Expected life: 3 years

206,805,213

(c) Expected volatility: 62%

(d) Expect dividends: N

A value of \$100,700 has been reflected in the quarterly financial statements as a charge to operations and as an increase in shareholders' equity.

3. Subsequent Event

Subsequent to June 30, 2002, the Company entered into an option agreement with TNR Resources Ltd. ("TNR") to earn a 75% interest in the Batidero property, by spending CDN\$1.5 million over a four-year period, and the issuance of a maximum of 100,000 shares to TNR. The Batidero property is a gold exploration target located in Argentina.

TENKE MINING CORP. CORPORATE DIRECTORY JUNE 30, 2002

OFFICERS

Adolf H. Lundin,
Chairman, President/Chief Executive Officer
Paul Conibear,
Chief Operating Officer
Sandy Kansky,
Corporate Secretary
Wanda Lee,
Controller/Treasurer

DIRECTORS

Adolf H. Lundin

- * John H. Craig Lukas H. Lundin
- * William A. Rand
- * Paul Conibear
- * Audit Committee

AUDITORS

PricewaterhouseCoopers LLP Vancouver, British Columbia, Canada

BANKERS

Canadian Imperial Bank of Commerce Vancouver, British Columbia, Canada

UBS Geneva, Switzerland

CHAIRMAN'S OFFICE

6 Rue de Rive Geneva, Switzerland CH-1211

Telephone: (41-22) 319 6600 Fax: (41-22) 319 6666

CORPORATE OFFICE

Suite 1320 - 885 West Georgia Street Vancouver, British Columbia Canada V6C 3E8 Telephone: (604) 689-7842 Fax: (604) 689-4250

SOLICITORS

Cassels, Brock & Blackwell Toronto, Ontario Canada

McCullough O'Connor Irwin Vancouver, British Columbia Canada

SHARE CAPITAL

Authorized: Unlimited number of common shares Issued and Outstanding: 35,663,328 shares

REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada Vancouver, British Columbia and Toronto, Ontario Canada

SHARE LISTING

Toronto Stock Exchange Tenke Mining Corp. (TNK) Cusip: 879944 20 5